

REPORT ON
PROPOSED OBLIGATIONS FOR FACILITATING WEAPONS DESTRUCTION
AND NONPROLIFERATION IN THE FORMER SOVIET UNION

Submitted in accordance with the FY 1992 Dire Emergency
Supplemental, P.L. 102-229, Section 108.

May 12, 1992

I. INTRODUCTION

The FY 1992 Dire Emergency Supplemental Appropriations Act, P.L. 102-229, Section 108, as it incorporates Section 231 of H.R. 3807 as passed the Senate on November 25, 1991 (the "incorporated bill"), requires a report to Congress, not less than 15 days before obligating any funds, on proposed obligations for facilitating weapons destruction in the former Soviet Union and preventing weapons proliferation. As indicated in the "Quarterly Report on Program Activities for Facilitation of Weapons Destruction and Nonproliferation in the Former Soviet Union", submitted to Congress on April 30, 1992, the Department of Defense has, through discussions between the United States Government and the Russian Federation, the Republic of Byelarus and Ukraine, laid the foundation for obligating a significant portion of the \$400 million authorized in Section 108 of P.L. 102-229. This report is made in accordance with Section 231 of the incorporated bill.

II. AMOUNT AND SOURCE OF FUNDS

The Department of Defense currently proposes to obligate \$145 million to implement the program authorized under P.L. 102-229. The amount of \$145 million will be transferred from the cash assets of the Defense Business Operations Fund to appropriate Department of Defense appropriations.

III. ACTIVITIES AND FORMS OF ASSISTANCE

Plans for obligation of the initial \$145 million primarily focus on providing assistance to eligible former Soviet Republics through:

- Technical and Logistical Support;
- Training and Personnel Support (including travel costs);
- Architectural and Engineering Support;

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- Research Projects; and
- Provision of Critical Supplies, Equipment and Materials.

A. Specifically, \$35 million is proposed to be obligated for:

1. International Science & Technology Center in Russia

An estimated \$25 million will be obligated through an interagency Memorandum of Agreement (MOA) with the Department of State for establishment of an International Science and Technology Center in Russia. Under the terms of this MOA, the Department of State will provide, on a reimbursable basis, specific services to the Department of Defense related to this Center. The Center will act as a clearinghouse for developing, selecting, funding, and monitoring projects that would be carried out primarily at institutions and facilities located in the former Soviet Union. Consistent with P.L. 102-229, Department of Defense funding for the Center is intended to give weapons scientists and engineers opportunities to redirect their talents to constructive, non-military endeavors and to minimize any incentives to engage in activities that would result in proliferation of nuclear, chemical, and biological weapons, missile delivery systems, and related weapons expertise. Through these projects, scientists and engineers would also contribute to the ongoing efforts to reduce and eliminate weapons of mass destruction. Other interested governments also plan to contribute additional funds to the Russian Center for these and other purposes.

2. International Science & Technology Center in Ukraine

An estimated \$10 million will be obligated for the establishment of an International Science and Technology Center in Ukraine. This proposed obligation will also be through an interagency Memorandum of Agreement with the Department of State and Department of Defense funding again will be tied to preventing proliferation of weapons and weapons expertise. The Center in Ukraine will be independent from the one located in Russia, but will be modeled after the Russian Center on a somewhat smaller scale. Other interested governments also have been invited to contribute to the establishment of the Ukrainian Center.

B. Up to an additional \$100 million is proposed to be obligated to provide fissile material storage containers, armored blankets, accident response equipment and training, modification of Russian railcars for the transport of nuclear materials in connection with their destruction, and material control and accountability for fissile materials. In accordance with the terms of international agreements to be developed,

funds will be used to determine specific needs, assess options, develop technical requirements, produce prototypes where appropriate, provide administrative support and training, and furnish supplies and materials. Specifically, assistance will be provided for:

1. Fissile Material Storage Containers

The Russians have indicated a need for 10,000 storage containers as soon as possible and ultimately a need for tens of thousands of additional containers for the storage of fissile material from dismantled weapons. The containers must meet Russian standards and therefore will be built according to Russian specifications. The Russians have provided container drawings for the United States to review, develop cost estimates, and eventually assist in determining the most effective means of production. Current options include production in the U.S. by a U.S. manufacturer; assembly in Russia with U.S. and Russian manufactured components; or production in Russia with U.S. technical support. Approximately \$50 million will allow upon agreement with the Russians: a specific manufacturing proposal to be developed; accurate costs to be determined, currently estimated to be in the range of \$3,000 to \$5,000 for each container; and production of adequate containers to meet immediate needs.

2. Armored Blankets

The Russians also have requested 250 sets of armored blankets (10 blankets per set) to augment protection for existing Russian weapon transportation containers for use in connection with weapons destruction. The United States and Russia recently have conducted joint tests on several types of blankets to determine their suitability for Russian requirements. Based upon the results of these tests, production details are being developed. An estimated \$5 million will provide for the procurement of the required armored blankets upon agreement regarding specific conditions and requirements.

3. Nuclear Weapons Accident Response Equipment and Training

Nuclear weapons accident response assistance also has been requested by the Russians. Provision of accident response equipment also would require U.S. assistance in the associated training of Russian experts in use of the equipment. Upon agreement of delivery and training schedules and other conditions, \$10 million is proposed to be obligated to provide the equipment and technical assistance including training in use of equipment provided.

4. Railcars

The Russians have stated a requirement for 100 railcars to provide safe and secure transport of nuclear weapons and components. They have requested technical assistance in the modification of Russian railcars to include additional safety and security features. The United States is reviewing the Russian proposal. Upon agreement with the Russians, approximately \$20 million will be used to provide technical assistance, prototype development, and the manufacturing of modification kits necessary to meet the Russian requirement.

5. Material Control and Accountability for Fissile Materials

The United States has initiated discussions with the Russian Federation and the Republic of Ukraine on possible assistance in the area of material control and accountability of fissile materials, including physical protection. An estimated \$15 million will provide for further technical review and, upon agreement with each of the parties on a specific program of assistance, technical assistance to include appropriate equipment and training.

C. Up to an additional \$10 million is proposed for the purpose of assessing the feasibility of other proposals and developing specific programs. When specific plans have been determined, obligation of additional funds will be proposed to fully implement the programs. Proposals being investigated include:

1. Storage Facility for Nuclear Materials and Recovered Components

The Russians have stated that they require a long-term storage facility for nuclear materials. The Russian design for a long-term storage facility is at an early stage of development. The Russians have provided initial data of their planned facility to the United States. Funds are proposed to be obligated to evaluate Russian requirements for additional long-term storage and to explore alternatives to the Russian approach; e.g., adaptation of existing military and civilian storage facilities or providing interim storage for nuclear materials from dismantled weapons. Additional funds will be proposed for obligation once the need has been more firmly defined and a determination is made on how best U.S. assistance can be applied to this effort.

2. Other Categories

a. The United States has initiated discussions with the Russian Federation on the issues of ultimate disposition of fissile materials from dismantled weapons and the destruction of chemical weapons. Funds are proposed to be obligated for the purposes of evaluating Russian requirements and determining the nature of possible U.S. assistance in these areas.

b. The United States has initiated discussions with the Republic of Ukraine on other areas of possible assistance consistent with P.L. 102-229. Funds are proposed to be obligated for the purposes of evaluating Ukraine requirements and determining the nature of possible U.S. assistance in these areas.

c. The United States has initiated discussions with the Republic of Byelarus on areas of possible assistance consistent with P.L. 102-229. Funds are proposed to be obligated for the purposes of evaluating Byelarus requirements and determining the nature of possible U.S. assistance in specific areas.

V. CONCLUSION

The above represents the proposed obligation of the initial \$145 million of the \$400 million authorized for transfer and the forms and types of assistance to be provided. The Department of Defense is committed to taking full advantage of the opportunity to facilitate weapons destruction in the former Soviet Union and prevent weapons proliferation. As plans are refined and implemented, and additional programs defined, proposals to obligate additional funds will be reported to the Congress.